

THE HISTORY OF

NLA 589



National Library of Australia

ref	730/90	Canberra ACT 2600 Telephone 621111
Date	20 June 1991	Teleggraphic Code Address: NALIBAUCL Canberra
	Mrs Sonia portelli	Telex Code No. 62100

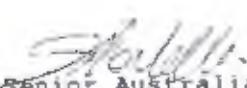
Dr J L Falvey
Coffey MPW Pty Ltd
302 Little Lonsdale St
MELBOURNE 3000

Dear Dr Falvey

Thank you for sending your publication to the National Library. Your cooperation is greatly appreciated.

Attached is the official copyright receipt, issued in accordance with Section 201 (3.) of the Copyright Act, 1968.

Yours faithfully


Senior Australian Selection Librarian
Australian Collections and Services

ISBN? 1-875483-08-3

THE HISTORY OF MPW AUSTRALIA has been compiled from the records and memories of persons most closely involved with the development of the company. It arose from a suggestion that the company's successful establishment, rapid growth and strategies for continued growth might be of interest to persons who had been peripherally associated with the company yet not familiar with all of its internal machinations. A rough draft of the contents for the history was prepared by Jerry Murray and myself when we were both on leave with our families in Chiang Mai, Thailand, in January 1990. A draft text fleshed out from those headings was then circulated to Jerry Murray, John Leake and Wayne Haslam for comment. Various drafts ensued to accommodate the varied individual perceptions of the history with a consensus draft circulated to some other concerned parties. These included Phil Young, Valerie Kelly and Derek Tribe. Photographs and other displays were solicited from persons involved with the company through different stages of its history and the publication was completed in March 1991. I am pleased to acknowledge the inputs of those persons who have assisted and all those who helped create what became MPW Australia.

J.L. FALVEY

FOREWORD

MPW Australia represented a bold and successful experiment by a group of professional agricultural scientists and engineers who were interested in international agricultural development. Throughout the period of my association with the company and the individuals involved in its management, I was able to observe the way they developed the new modes of decision making which became necessary for professionals working together in a commercial environment. While parallels may exist within, say, law partnerships, the technical orientation of agriculture and the types of personalities attracted into agricultural consulting seemed to require a decision making process which varied from text book models. The evolution of MPW Australia from a flexible association formed for commercial convenience to a partnership operation and, finally, to a company structure, represents a maturation which now seems to be occurring in a wider consulting industry involving a range of professions in Australia. The story presented in the following pages reflects the essence of these changes in the company's management as it evolved through its various stages.

Until recently almost all agricultural consulting in Australia was undertaken by professionals employed by State or Federal Governments. It is important for the public sector to retain some activities in this field but, increasingly, advice is also needed from private enterprises that are capable of providing technical advice within a context of sound and confidential economic information and management appraisal. The provision of advice has too long been separated from the cost of providing that advice and the benefits which accrue from it. Agricultural consulting by the private sector provides a means of assessing the value of such advice and helps to ensure that technical advice is linked to economic and financial analysis.

For those companies, such as MPW Australia, which have pioneered the export of Australia's agricultural skills, the inclusion of sociological expertise has also been an important consideration. One of the reasons for MPW Australia's success in the international market has been its incorporation of sociological and anthropological skills with technical agricultural expertise right from the beginning of the company's activities.

MPW Australia grew to become one of the five major agricultural consulting firms in Australia. In view of its ambitions to continue growing, while providing increasing professional opportunities for a wider number of staff, its merger with the international operations of a larger and older company was a wise decision. The union of MPW and Coffey Partners International to form Coffey-MPW Pty Ltd has already led to an increased volume of work and the recruitment of more professional staff. It has provided sufficient capital to expand into hitherto underdeveloped areas of agricultural consulting within Australia.

The attached history introduces the origins of the company which merged to form Coffey-MPW Pty Ltd and which is continuing to provide much of the culture of Coffey-MPW with respect to its involvement in international and Australian agriculture.

The continued improvement of agricultural productivity, at home and abroad, is vital to the future prosperity of Australia and, particularly, to the growth of its exports. This improvement cannot be achieved without innovation and technological change - change that needs to be economically rational and efficiently managed. The role of consultancy firms, like Coffey-MPW, is therefore becoming increasingly important; their future promises to be even more busy, interesting and rewarding than their past.

Professor Emeritus Derek Tribe

Executive Director

Crawford Fund for International Agricultural Research

(previously member of the MPW Australia and Coffey-MPW Consultative Group)

TABLE OF CONTENTS

Foreword

CHAPTER 1

- Conception

CHAPTER 2

- 1977 to 1980

CHAPTER 3

- 1981 to 1985

CHAPTER 4

- 1985 to 1987

CHAPTER 5

- 1987 to 1989

CHAPTER 6

- 1989

Chapter 1

CONCEPTION

MPW Rural Development was conceived as an idea to form an international consulting company from a base of individual consultants.

It began as a general suggestion from Richard A. Wittenoom to his neighbour in the Perth suburb of Nedlands, Dr. Francis Jerome Murray as a parting comment passed on Jerry's departure from a New Year's day party in 1977 for a consultancy in the Malaysian State of Sabah. As he was leaving, to return to a short term consultancy on a team under the auspices of the English firm of Shankland Cox, Wittenoom called out "why not look for jobs for some Australians".

On the Sabah assignment, a consultancy entitled "Sabah Displaced Persons Re-settlement Project", Murray met Eryl Pitt and Graham Gaston both members of the team. Eryl Pitt who had been conducting short term consultancies independently was also interested in the idea, the concept of forming a consultancy company. Murray subsequently brought Wittenoom and Pitt together at a lunch also attended by Gaston at University House at the University of Western Australia. After lunch, discussions continued on board the "Adriana", Wittenoom's yacht, leading to agreement that a company should be formed to market the services of these persons and utilise the existing administrative base of Richard Wittenoom and Associates, Wittenoom's existing Australian engineering consultancy practice.

Meetings were held over subsequent weeks, culminating in the registration of MPW Rural Development Pty Ltd with Geoff Long as company secretary and three equal shareholders and directors being Murray, Pitt and Wittenoom (M P & W). Gaston, having received an enticing offer to move to South Australia declined to join at this time.

The combination of M P & W to form a company was based on the knowledge of opportunities (Pitt), consultancy experience and an administrative base (Wittenoom), and the rising need for sociological and institutional skills in international development (Murray).

Amongst the high ideals set were the desire to work together, to design projects in which the same persons could be engaged in implementation to see the fruits of one's professional labour, and to attract company fee rates from international development agencies.

The company was duly registered on 4 October 1977 with its head office at 3 Ord Street, West Perth.



MPW



M, P and W,
the founders of the company:
Murray, Pitt and Wittenoom



LIST OF PERSONS WHO HAVE CONSENTED TO BE DIRECTORS

MPW RURAL DEVELOPMENT PTY.

LIMITED

To the Commissioner for Corporate Affairs

I, * RICHARD ANTHONY WITTENOOM of 46 Webster Street, Nedlands, W.A.,
Consulting Chartered Engineer,one of the persons desiring the incorporation of MPW RURAL DEVELOPMENT
PTY.

Limited, hereby

certify that the under-mentioned persons have consented to be directors of that company.

Name	Address	Description
Richard Anthony Cornelius WITTENOOM	46 Webster St., Nedlands, 6009, W.A.	Consulting Chartered Engineer
Francis Jerome MURRAY JR.	96 Melvista Avenue, Nedlands, 6009, W.A.	Anthropologist
Eryl Hugh PITT	10 Fort View Road, Mt. Claremont, 6010, W.A.	Agricultural and Veterinary Consultant

Dated this

Fourth

day of

October,

, 1977.

(Signature)

* Insert name, address and description

Lodged with the Commissioner on

Commissioner for Corporate Affairs

Lodged by or on behalf of R.A.C. Wittenoom

(Business)

ADDRESS 3 Ord Street, West Perth, 6005.

TELEPHONE No. 3-222-777.



No. of company
S.3682/77



COMPANIES ACT, 1961
Section 16 (3)

CERTIFICATE OF INCORPORATION OF PROPRIETARY COMPANY

THIS IS TO CERTIFY that

MPW RURAL DEVELOPMENT PTY. LTD. is on and from
the Fourth day of October, 19 77, incorporated
under the Companies Act, 1961, and that the company is a company limited by
shares and that the company is a proprietary company.

GIVEN under my hand and seal at Perth in the State of Western Australia

this Fourth day of October, 19 77.



Deputy Commissioner for Corporate Affairs

Chapter 2

1977 to 1980

MPW Rural Development Pty Ltd, having been legally constituted engaged in its first activity in response to Murray's participation in the South East Asia Studies Conference sponsored by the University of Malaysia in Sabah. In support of this input, an MPW brochure of two pages was hurriedly prepared for distribution to prospective client agents at the conference and at the Asian Development Bank which Murray subsequently visited. Through a Nedland's neighbour of Wittenoom and Murray, Murray met Peter Caldwell, an ADB economic editor who subsequently introduced him to other relevant ADB officials including Phillips Young.

At this time, Pitt was participating in a livestock mission in Korea and returned from that assignment via Manila, staying at the house of one of Murray's sisters-in-law, Mrs Pina Moreno. Murray arranged for Pitt to meet Young, an important turning point in the company's development.

Pitt's experience in a number of consultancies and ability in servicing international agencies' consulting needs led to the introduction of Murray to ADB consultancies, initially with an AACM Philippines Study and later, through the same contacts to South Asia. Pitt began to do assignments for ADB. While working there, he identified the prospects for assistance to the Philippines dairy industry which provided opportunities

for the existing Australian consultancy company, AACM, to win the feasibility study for this project. Young, through his involvement in this same section in ADB therefore learned more of MPW through this and similar exercises.

MPW Rural Development developed through this phase as a company which could provide Pitt, Murray and occasionally others for ADB, AIDAB and other consultancies. At the same time it became well established as a subcontracting entity providing highly skilled international consultants for other Australian consultancy companies, particularly AACM but also Hassalls, GRM and ACIL.

In the early part of this period, to the end of 1978, Murray was still engaged as the Head of the Department of Social Sciences at the West Australian Institute of Technology, and Pitt managed the vestiges of his veterinary practice as Delwallinus. An opportunity with AIDAB, through its disaster relief fund to assist the Sri Lankan cyclone-proof housing study, created a further turning point for the company. Wittenoom through his experience in post-cyclone Darwin and Port Headland, was approached to join the Department of Housing and Construction team servicing AIDAB's requirements for this study and arranged for Murray to participate to ensure the social and institutional aspects of the study were compatible with sustainable development. This study and the continuing short term consultancies of Pitt and Murray were supported through the part time inputs of administrative staff from Richard Wittenoom and Associates and paid for by the allocation of 5% of professional fees earned being paid back to MPW Rural Development to cover administrative services. Through this period and into the future, individual consultants prepared their own accounts, collected monies owed from client agencies and returned the required 5% to the central company. Staff of Richard Wittenoom and

Associates were paid for at cost, and the entity functioned well as a partnership.

In 1978, Pitt met John Leake in Jakarta where Leake was conducting his own practice with a mixture of commercial clients and development agencies including FAO, World Bank and EDF. In the course of this work, Leake had prepared a project outline for an AIDAB project in Timor and alerted Pitt of AIDAB's interest in Timor, indicating a multi-disciplinary team would be required to win. The project was delayed but the idea was to last.

Pitt widened the network of consultants and companies with whom MPW could deal with during 1979 and 1980 and in this process met Lindsay Falvey in Chiang Mai, Thailand. Pitt, engaged on the documentation phase of an ADB consultancy, was following up on correspondence received from Falvey which had been prompted by the advice of one Clive Massey about the modes of operation and objectives of MPW Rural Development. Massey was familiar with the discussions Falvey had had with some 15 consultants servicing AIDAB and other projects as direct employees of AIDAB around that time and saw similarities between the objectives of Falvey and those of MPW.

Murray was conducting another consultancy assignment in Indonesia around that time and was introduced to Leake by Pitt in passing through Jakarta.

The AIDAB West Timor Project Preparation mission, including Pitt and Leake, finally occurred in 1981 and project implementation was seen as the opportunity which would take MPW to the next stage of its development where senior development professionals could engage in the implementation of projects which they had assisted to design. However, despite widespread research, lobbying and commercial contracting, MPW was not successful in winning this tender. ACIL, also an emerging company and

at that time further advanced in its development, was successful and this project assisted that company to become a major entity in international development consulting in the way which had been planned for MPW. Nevertheless, another project was to fulfil this role for MPW Rural Development.

John E. Leake



J. Lindsay Faivey



Wayne J. K. Haslam



F. Jerry Murray



Phillips J. Young

Principals and Consultants

Directors

F Jerry Murray, BA, PhD, MAIAS
J. Lindsay Falvey, MAgSc, PhD, MAIAS, MAAAC
John E. Leake
Philip J. Young, BVSc, MDA, MAIAS
Wayne J K. Haslam, B Eng, M Eng Sc, Dip Plan Sc, FIEA, MRIM

Senior Consultants

K. Ian Talks BSc (Hons) Agricultural Economics
John N A Reid BS (Eng), MS (MIT) Management, Economics
David J King BSc (Agric) Eng, M Sc, MAIAS
Norman S. Welsh BAgSc MAIAS, MAAAC
F James Crittie BA (Ec) (Honours) Information Systems
Ray N Phillips BAgSc, MRA MAIAS, MAAAC
E. Peter Ashby B Bus Sc, Dip Ag Ec, ASA
Peter Jellinek MSc, PhD, BVSc (Reproductive Physiology)
Richard S. Holloway, BAgSc, MAgSc, (Economics)
Peter R. Falvey BAgSc, Dip Ed, MAIAS, MAAAC
Nicholas Smart (Agriprocessing, Marketing)
David Pentelow BSc (Hons)
David J Caddy BA, T&R Planning, MRPI
Lewis McMaster BAgSc, BA (Honours)
Mark L. Wray BAgSc (Run Computer Services)
Philip S. Arnfield BSc, ASA
Lt Col Peter T Newman DSC, APA, M
Valerie P Kelly BA Dip Pol (Women in Dev)

Senior Project Staff

Ronald P McMahon BE, AIA, MIE Aus
John M Catung DMS APAIM MinM

Associate Consultants

Graham K Gaston BA (Hons), Dip Town Plan, RAPI AIUS AIM
John C Henshall BCom (Ec) Dip Town & Reg Plan, RAPI AIUS

Other Staff

MPW has more than 25 professional staff and 20 administrative staff with offices in Melbourne, Adelaide, Brisbane, Perth, Canberra, Sydney and Manuka.

Accountants and Bankers

Accountants: Coopers and Lybrand, Adelaide
Bankers: Commonwealth Banking Corporation, Adelaide
Financial Controller: Geoff Beaton

WESTERN AUSTRALIA

Form 2

Business Names Act 1982—Section 7 (4) and (5)

No. 31/8/82 25052

CERTIFICATE OF REGISTRATION OF BUSINESS NAME

I hereby certify that the business name

M.P.W. AUSTRALIA
3 ORD STREET
WEST PERTH 6005

was on the thirty first day of August 1982

registered, pursuant to and subject to the *Business Names Act 1982*.

Given under my hand at Perth this thirty first day of

August One thousand nine hundred and eighty two


Assistant *[Signature]* Commissioner for Corporate Affairs

THIS REGISTRATION MUST BE RENEWED BY 31/8/85.

NOTE—This Certificate is to be kept exhibited in a conspicuous position at the principal place of business, and, if not kept so exhibited, each person carrying on business under the name is liable to a penalty of not more than ONE HUNDRED DOLLARS (\$100.00).

Chapter 3

1981 to 1985

The next phase of development for the company included the winning of major implementation contracts. Falvey and Leake joined the company and participated through short term consultancies for a range of international development agencies including the World Bank, ADB, IFAD, United Nations, German and Dutch aid programs and AIDAB. The impressive track record which had developed to this time and the functional job referral system existing within the company led to the expansion of the short term consultancy area.

The organisational structure of the company through this phase continued and expanded the "round table" approach of the early MPW, with only muffled "primus inter pares" claims. This approach was to continue to attract good people hoping to join the table whilst the business was expanding and cash flow maintained.

Through the same period, tenders were submitted for a range of projects and in particular, Falvey's interest in AIDAB project implementations was instrumental in the winning of the Thai-Australia Village Water Supply Project which subsequently became the project which brought the company to its next stage of development. It was on the inception mission for this project that Murray first met Falvey who had been with the company for at least a year by that time. These two, with Wittenoom and other key team members including Ron McMahon, the Project Manager for the project, designed a project based

on the real needs of the Royal Thai Government and agencies engaged in water supply in Thailand.

In early 1981, Murray moved from Perth to Manila for personal and professional reasons and continued short term consultancy work through MPW, predominantly for the Asian Development Bank. Becoming increasingly concerned about the activities of the company and its change in direction, predominantly as a result of new persons who had been admitted to the shareholding and Board, Murray raised serious issues about the future directions of the Company. It was around this time that the first of many epistles was circulated, this one from the pen of Murray entitled "Whither MPW?" .

During this period, Pitt had developed an incentive system consistent with the "round table" approach for implementation in the company which was loosely termed "syndicates". Syndicates were based on individuals identifying opportunities, co-opting what partners they needed to secure those opportunities and agreeing on the allocation profit from those opportunities, after payment of central services charges to MPW. The concept introduced high levels of motivation as no other income sources were provided by way of salaries to professional staff although it proved to be unsuitable for major implementation contracts. The concept was abandoned when the company won its first major contract, the Thai-Australia Village Water Supply Project to accommodate salaried professional staff.

Soon after the success with the Thai Australia Village Water Supply Project, a second AIDAB study and subsequently implementation design and implementation was awarded to MPW Rural Development. This project, the Mandalay Dairy Development Project, was conducted jointly with the engineering company Crooks Mitchell Peacock Stewart. This project further brought a company spirit

into MPW by involving Wittenoom, Leake and Falvey and at that time key employee Ian Talks in various phases of the project. Murray later became involved and quickly became more closely integrated with the company bearing his name, and a feeling of success within the company pervaded. With Leake leading the final preparation and implementation phases of this Burma project, the objective of managing the implementation of these two projects designed by persons within the company had been achieved. Throughout this period, Pitt continued conducting short and medium term consultancies, including a World Bank consultancy for the Philippines Central Visayas Rural Development Project, and was successful in securing an ADB project preparation for an MPW team. This project, the Bangladesh Livestock Project Preparation, was one of the last conducted under the syndicate system of the company.

Administration within the company continued to focus on the 3 Ord Street Office in Perth with an additional office being located in converted stables behind Falvey's house at 187 Canterbury Road, Blackburn in Melbourne and later an office located at 110 Hutt Street, Adelaide. The offices were engaged in company marketing and some project co-ordination and administration, with the bulk of administrative tasks being referred to the Perth Office. Through this period, Josie Ryan, office co-ordinator in Perth had established the requisite systems for the company until McMahon proposed marriage and removed her to the project he managed for the company, the Thai Australia Village Water Supply Project in Khon Kaen, Thailand. The ensuing office manager, Valerie Kelly, an industrial psychologist, proved invaluable in continuing to develop communications and systems within the widely spread company and remains famous for, amongst other things, editing the text entitled "All I Know About MPW Directors", a book of 300 blank pages.

All through this period, the company's marketing, mainly from the Melbourne office, improved although it was focused primarily on the movement of MPW staff around client agencies. Printed material in support of the company's image was pitched at a level slightly above the company size and current operations although no co-ordinated marketing plan had yet been conceived.

The Company expanded further at shareholding and Board level by the joining of Young on his resignation from ADB during 1982. His location in Brisbane was supported by the establishment of a small MPW Office in Toowong, complementing an expanded Melbourne Office now located at 333 Punt Road, Richmond and servicing a range of marketing, project co-ordination and training contract implementation responsibilities.

Training courses, an area which MPW Australia, through Falvey's interest, demonstrated as a viable area for professional involvement outside the public sector formed a major part of MPW's further development. These courses, designed and implemented for the Australian aid program, the Asian Development Bank and others commonly took the form of three months intensive courses with lecturing and practical inputs utilising the best available services from around Australia under the management of MPW. Through these courses, additional staff were attracted to MPW and in particular David King, Norm Welsh and Peter Falvey were able to demonstrate their skills in the management of these courses and related consultancy work internationally. Richard Holloway appointed to the Brisbane Office also provided inputs to these courses and consultancy inputs internationally through a period of training undertaken with MPW. For a long time these courses were paid 90% in advance providing cash for expansion of the Company and its facilities. In the long run this lulled the company into a false sense of security and the cessation of this

practice in 1986 was to be the first of a series of financial shocks that forced basic changes in the Company's operations.

The rapid expansion of the company and the need to improve internal management and administration led to the retention of a management consultant to advise on problems and solutions to company problems of differing claims to be primus inter pares. Dr. Michael Heppell, in his report to an MPW Board meeting in Brisbane in 1984, identified the strength of the company to be the experience of its staff and consequent ability in marketing to certain agencies and ability to co-ordinate resources for larger projects.

The increasing centralization of Company activities in Melbourne, tightening up of administrative and management arrangements within the company and some conflicts of philosophy created some misunderstandings. Falvey was appointed Managing Director of the Company at the 1984 Brisbane Board meeting for marketing purposes but this was felt by some to deviate from the "round table" approach.

From the time Murray arrived in Manila 1981, he operated out of his house with his sister-in-law, Mrs. Lita Reyes, acting as his telephone and telex contact at her office in Makati. The appointment of Mr. Charles Searby as an MPW agent in Manila and the designation of Searby's office as the MPW "Manila Office" in parallel with the location of Murray in Manila on behalf of the Company focused attention on the need for greater Company co-ordination. Upon the expiry of Searby's contract, Murray established the MPW Manila Office in the prestigious Magsaysay Building in Roxas Boulevard near the Asian Development Bank. In mid 1985, Mrs. Malou Castaneda was appointed to look after the office.

It was round this time that Wittenoom, who had made consultancy inputs to both of the major implementation contracts of the company advised that his own long established engineering consultancy practice was suffering due to his involvement in international consultancy and chose to return to a more active role in Richard Wittenoom and Associates. Accounts were relocated from Perth to the Adelaide Office and the functions of the Perth Office changed to relate to local project development under the management of David Caddy and Valerie Kelly.

The company continued to grow in attracting new contracts both short and long term and established itself firmly as one of Australia's major international consulting firms operating in the agricultural, institutional and educational consultancy fields. During 1985, Pitt, left the company for personal reasons and established a veterinary supplies business in Perth.

Wayne Haslam, who had spent a considerable period with the Snowy Mountains Engineering Corporation managing the largest Australian aid project in Thailand and the Philippines and who had subsequently acted as a special advisor to AIDAB itself, joined MPW to assist in project management and co-ordination activities. His Canberra base also provided direct liaison with AIDAB for project management, problem resolution and marketing.

The Company's cash flow at this time permitted significant investments in marketing, particularly through a new Company brochure and a PR agent. This was seen as a means of establishing the Company internationally with long term objectives and wide experience. This proved to be a significant entry point for a wider range of project opportunities. Significant investments in word processing facilities were made and steps were initiated to computerize completely the

Company's accounts in house, due primarily to the continued inability of the Company's accounting firm to commission a promised bureau system over a period of 18 months, causing continued delays in client billing.

The Company's favourable cash position during this period of rapid expansion encouraged a change in payment to its members from payment after fees were received by the Company to payment in the month after work was done.



MPW Australia



The new MPW Australia brochure greatly enhanced the marketing image of the company.



The converted outhouses at Falvey's residence of the time at 187-189 Canterbury Road, Blackburn in suburban Melbourne provided MPW Australia's Melbourne office in the early 1980's.



The Adelaide office was established around the time of the Punt Road office in Melbourne, and was located initially at 110 Hutt St and later at 252A Rundle St, Adelaide (above).



The Magsaysay Building on Roxas Boulevard, Manila, Philippines, housed a small MPW Australia office under Dr. Jerry Murray's direction through 1986-87.

Chapter 4

1985 to 1987

Throughout 1986, there were indications that there were problems with the Company's cash flow. This appeared to be a function of several factors, including a reduction in work volume, some hangovers from the syndicate system, too many regional offices, too many staff on retainers and discounting problems, such as late billing. The relationship between income production and costs had become obscured; combined with this, delays in the extension of the Company's major contract and changes to the number of training contracts on offer produced a crisis in cash flow and profitability. Cost cutting measures were introduced, first, by closing down the Perth and Brisbane Offices, reducing the Adelaide and Canberra Office to just the resident directors and moving the Manila Office out of the Magsaysay Building. Secondly, staff were taken off retainer and some (R. Holloway and P. Falvey) were appointed to full-time positions in Khon Kaen. Finally, Mr. David Pask was appointed as Financial Advisor, and all the accounts were moved from Adelaide to the Melbourne Office.

These problems were exacerbated by further delays in billing due to difficulties in implementing the planned change from Cooper and Lybrand's computer bureau system to a fully in house system. This system proved to have "bugs" requiring reprogramming and directors were seriously embarrassed by not having up-to-date figures at such a crucial stage.

The events precipitated the end of the "round table" approach and introduced a period of reconstruction towards a conventional hierarchical company with Lindsay Falvey as Managing Director. Although Phase 2 of the company's largest contract quickly restored a positive cash flow, it was to be two years before the company returned to the previous high levels of profitability and reserves as a result of new business, cost cutting and completing the writedown of investments initiated in 1986.

A period of consolidation of costs and operations was entered, which led to the removal of retainers paid to senior professional staff and a return to the traditional company fee sharing arrangements. The method in which this was done had the unfortunate side effect of alienating some senior consultants not sympathetic to the 'new' approach. A reduced ability to attract senior professionals for agency assignments was one by-product.

Younger staff introduced for training and assistance in professional activities were assigned to international projects suited to their capabilities (Peter Falvey and Richard Holloway) and offices not seen as essential to company profitability were closed at appropriate times. As a result Perth and Brisbane offices were closed and the Adelaide office reduced in size and company administration and management centralised in Melbourne.

The company's turnover and profitability improved through attracting additional implementation contracts in particular the North East Village Water Resources Project, a follow-on phase of the Thai-Australia Village Water Supply Project and the Thai Land Titling Project, a project co financed between the World Bank and AIDAB and implemented by a consortium involving MPW with BHP Engineering, Price Waterhouse, the University of New South Wales and Colliers International. During this

period, the company, largely through the efforts of Young, won the preparation phase for the Bhutan Highland Livestock Development Project from the Asian Development Bank as a result of the company's knowledge of Bhutan's and ADB's requirements.

The company then won the implementation phase of the Bhutan Highland Livestock Development Project thereby moving to a further phase in the company's development, the implementation of development projects on behalf of international financing agencies. Training activities continued to be a significant area of turnover and profitability for the company through this period and it became clearer that the company required additional skills in project management and co-ordination.

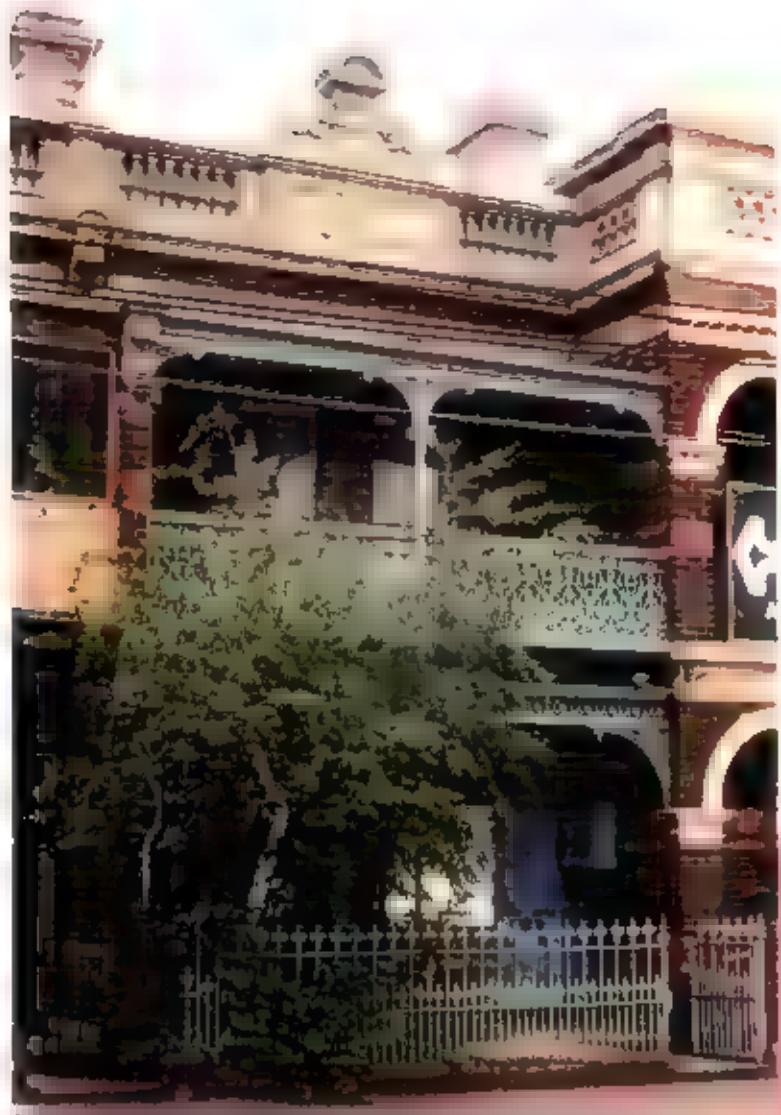
As part of the company's commitment to international development almost exclusive of the domestic consultancy scene in Australia, MPW entered into arrangements to establish itself as a legal entity for operating in Thailand and the Philippines. This commitment, uncommon to other Australian companies based predominantly on the domestic consulting market, led to the registration of A & R International in Bangkok, Thailand as a company 49% owned by MPW. This company provided Thai professional consultants to consultancy opportunities in association with MPW. In the Philippines, investigations were protracted and no official registration took place until 1988.

Consistent with the enhancing of the company's image and increasing the corporate management systems within the company, a Consultative Group was formed to advise MPW on corporate matters and assist in marketing. The Consultative Group, comprised of Sir Frank Espie, Professor Emeritus Derek Tribe and Professor John Dillon was established to combine commercial, academic, agricultural and economic skills of the highest order

available to the decision making processes of MPW Australia. The Consultative Group, a unique component of an Australian consulting company's management structure proved to be highly successful in assisting the company's continued development by removing the partnership approach to decision making common to such companies and introducing a wider perspective for opportunities and means of meeting the needs of client bureaucracies.

In consolidating all activities in Melbourne, David Pask was appointed as a Financial Advisor to streamline accounting processes and remove all operations to Melbourne. Through the introduction of simple efficient systems designed specifically for the international development business, Pask was able to implement his suggestions of timely submission of accounts and managing financial risks efficiently. A return to the payment of professional staff on the basis of a percentage of fees paid after a client paid the company provided a strong cash flow for the company's sustained growth and allowed the company to trade profitably through a period of rising costs and interest rates in Australia which affected many other companies.

This phase of the company's development culminated in the preparation of a corporate plan which provided a basis for focusing all senior staff of the company on the paths for continued development. Undertaking the corporate planning process in-house at this time allowed lessons of the past to be incorporated in future plans and thereby minimised duplication of past mistakes. This was seen as an important component considering the demise of some other companies for unnecessary reasons. The corporate plan, presented simply as a basis of communication and decision making, became the means by which further development of the company could take place. The corporate plan at this time included all means of continued company expansion including seeking compatible companies with which to work, merge or takeover.



MPW Australia's activities increasingly focused on the Melbourne office over time. Operating from 333 Punt Road, Richmond (above), the company expanded into premises in Swan St, Richmond before consolidating activities by moving into 302 Little Lonsdale St. (right) in Melbourne's Central Business District



MPW CONSULTATIVE GROUP

The Consultative Group of MPW Australia was an elite Advisory Group which assisted the MPW Board. Members of the Consultative Group were:

SIR FRANK ESPIE, OBE. Sir Frank held senior positions in the mining industry over several decades. He was a Director of ICI Australia Ltd., Trioxide Australia Pty Ltd., Tubemakers of Australia Ltd., Woodside Petroleum Ltd. Chairman of the National Petroleum Advisory Committee, CRA Ltd., and was Chairman of Bougainville Copper Ltd. He was a Member of the Board of Westpac Banking Corporation and is a Council Member of the Australian Academy of Technological Sciences and Engineering. Sir Frank has been the recipient of various prestigious awards and, as a Director of major companies, he has extensive experience in efficient company direction.

PROFESSOR EMERITUS DEREK TRIBE, OBE. Professor Tribe has more than 25 years' experience as an international consultant in education and agricultural fields with the World Bank, FAO, the Rockefeller Foundation, UNDP and the International Development Research Centre of Canada. He was previously Executive Director of the International Development Program of Australian Universities and Colleges Ltd., a private company established under his direction. Professor Tribe has been awarded various Honors by a number of Scientific and Professional Societies and is a member of the Council of the Australian Academy of Technological Sciences and Engineering.

PROFESSOR JOHN DILLON. Professor Dillon is a leading international economist and is Chairman and President of the Australian Centre for International Agricultural Research and a member of the Rural and Allied Industries Council. Over the past 20 years he has been heavily involved in international agricultural development activities in Asia, Africa and South America. Professor Dillon is a fellow of the Academy of Social Sciences in Australia and of the American Agricultural Economics Association and was named as 1982 Distinguished Alumnus by Iowa State University for his contributions to economics, education and international development.



The MPW Consultative Group

The MPW Consultative Group enhanced the Company's image and reputation. It was comprised of Prof. John Dillon (left), Prof. Emeritus Derek Tribe (centre) and Sir Frank Espie (right).



The A&R International Co. Ltd office at Sam Sen, Phya Thai in Bangkok, Thailand, provided a base for expansion of activities in Thailand from 1986.



The Company published books from time to time in support of its image as a long term provider of services and to enhance its professional image.



The Strata 100 Building at 100 Emerald Avenue, Pasig, Manila, Philippines, in which MPW Australia purchased two units in 1988/89 in order to strategically locate the company close to the new site of the client organization, the Asian Development Bank.

Chapter 5

1987 to 1989

Consistent with the corporate plan, the company implemented a procedure to separate shareholding from employment and Board representation. This process, seen as a means of securing the company's longer term future and minimising conflicts of interest in corporate decision making led to the offering of shares in the company to key employees of MPW Rural Development. Two issues of shares based on an independent valuation process were undertaken with the project manager of the North East Village Water Resources Project, Geoff Anderson, becoming a significant shareholder in the company through this process.

The corporate plan also introduced the concept of seeking profitable opportunities created through consultancy which might otherwise be passed by. This led to the introduction of an investment strategy for profits based on the payment of a 33% dividend complemented by an allocation of other profits to investments in ventures or physical assets. It was through this policy that MPW purchased a condominium office in Pasig, Manila, adjacent to the construction site for the new Asian Development Bank headquarters.

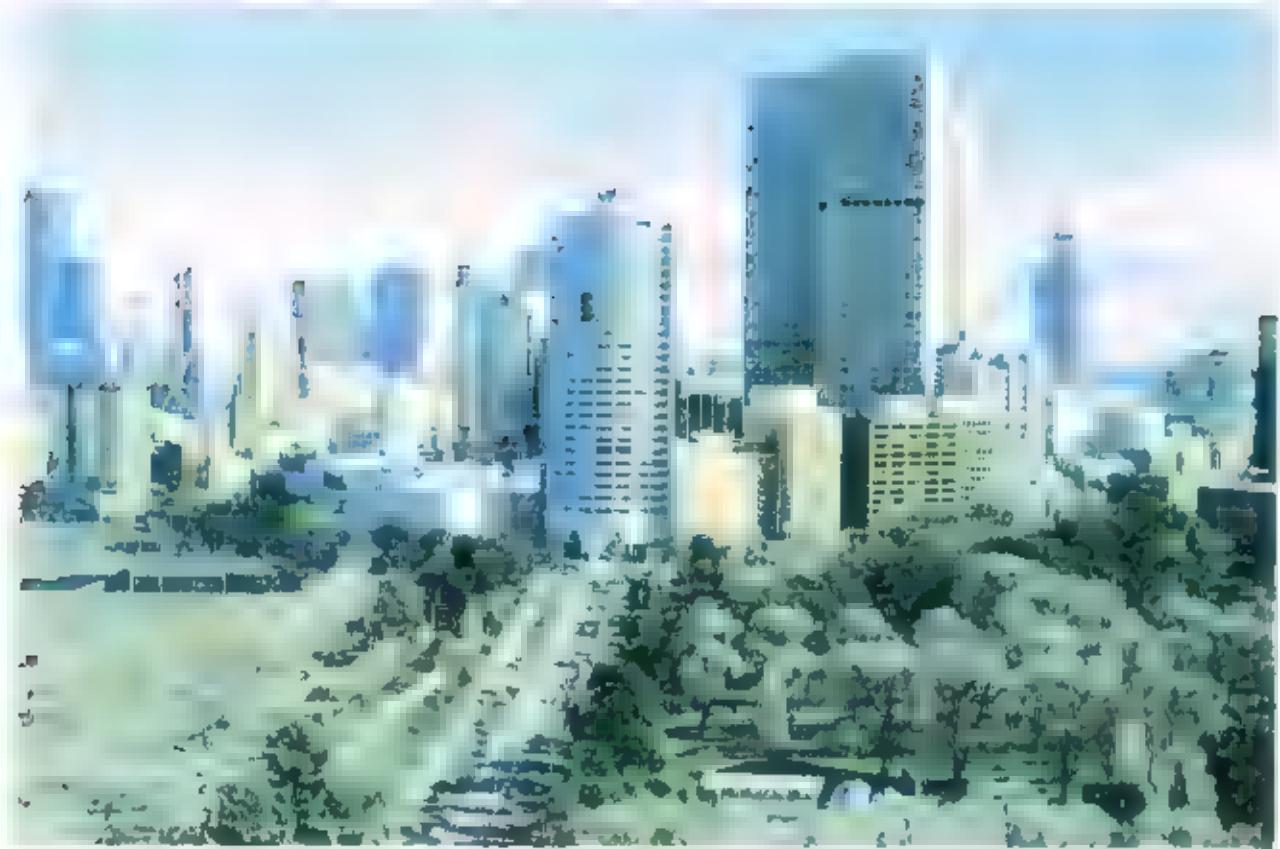
The company attracted further contracts through this period including participation in the Natural Resources Management Development Project in the Philippines on behalf of AIDAB and created a management consultancy opportunity through the conceiving, developing and

subsequent sale of the concept for the English Language Centre of Australia in Bangkok. Administration and project co ordination activities within the company were seen to require additional co ordination skills which were obtained through the appointment of Andrew Goodman, who was previously an operations co ordinator for SAGRIC International, the South Australian's Government international consulting company.

The company's conception and development of the English Language Centre of Australia, a continuation of Falvey's interest in training, was a major step forward in the creating of consulting and management opportunities. The Centre, which operates on a commercial fee basis pays management fees to MPW as an agent for the International Development Program of Australian Universities and Colleges, the organisation which purchased the concept from MPW. Recognising and pursuing the opportunity for the establishment of the Centre by MPW was a result of market research undertaken around South East Asia to determine the future viability of the company's involvement in training and educational activities. Conclusions from that study included the rising demand for English language and the focus on English language as an entry point for involvement in education in the longer term. Consistent with involvement with such a facility in Thailand and according to the plan later in Indonesia, Korea, China and Japan, was the establishment of an English language college in Australia. Investigations concerning this recommendation determined the need to combine the best elements of the public and the private sectors in such a college and the offering of a range of courses as a follow-on from English language training. MPW successfully developed the concept in conjunction with Warrnambool Institute of Advanced Education (now Deakin University) on an equal partnership basis for the establishment of Victoria International College in Melbourne. The college began in an extremely successful

fashion although subsequently languished under major policy changes of the Australian Government with respect to overseas students and the outcome of negotiations concerning the merger of MPW Rural Development.

During this period, Young who had continued to make inputs on company projects particularly through his strong involvement with the Bhutan Highland Livestock Development Project, advised the MPW Board of his desire to accept a two year contract appointment with the International Fund for Agricultural Development in Rome. The Board accepted this as being in the company's longer term interest and Young left to assume this position in Rome during April 1988.



AUSTRALIAN GOVERNMENT ACCREDITATION • FURTHER STUDY OPTIONS

WARRNAMBOOL ASSESSMENT & GOVERNMENT PARTNERSHIP

AN INTERNATIONAL COLLEGE • LEVELS - BEGINNERS TO ADVANCED

COMMUNICATIONS - MUSIC ASSISTANT • WORK & STUDY ABROAD



Victoria International College (and a reciprocal facility in Bangkok, The English Language Centre of Australia) were market led innovations which both contributed to the company's consultancy base and profits.

COUNTRIES

Bangladesh
Bhutan
Botswana
Burundi
Burma
China
Egypt
Fiji
Ghana
Guyana
Kampuchea
Kenya
Kiribas
Indonesia
Lao-PDR
Malaysia
Nepal
Nigeria
Oman
Pakistan
Papua New Guinea
Philippines
Ruwanda
Saudi Arabia
Sudan
Solomon Islands
Sri Lanka
South Korea
Syria
Tanzania
Thailand
Tonga
Uganda
Vietnam
Zambia
Zimbabwe
Western Samoa

CLIENT AGENCIES

AAAIID
AFAB
Asian Development Bank
Australia's Refugee Trust
Australian International Development Assistance Bureau
DAC/FAI
DANADI (Denmark)
DGLS (Indonesia)
DTH (Netherlands)
EDF
Food and Agricultural Organization
Government of Oman
GTZ (West Germany)
Hebei Provincial Government, Peoples Republic of China
Government of Indonesia
International Fund for Agricultural Development
Kingdom of Norway
Qing Hai Province, Peoples Republic of China
Government of Sabah
United Nations Development Program
United Nations Fund for Drug Abuse Control
WAOPA
EXIM Corporation (Western Australian Government)
Western Australia Premier's Department
World Bank

and a range of private clients in Asia and Australia

MFW and COMPETITORS

(Extracts from Global Opportunities for
Australian Agricultural Consultants: The Future" AAAC, 1989)

CURRENT AND PREDICTED FUTURE GEOGRAPHICAL SPREAD OF AUSTRALIAN AGRICULTURAL CONSULTANTS WORK (Survey of Major Companies)

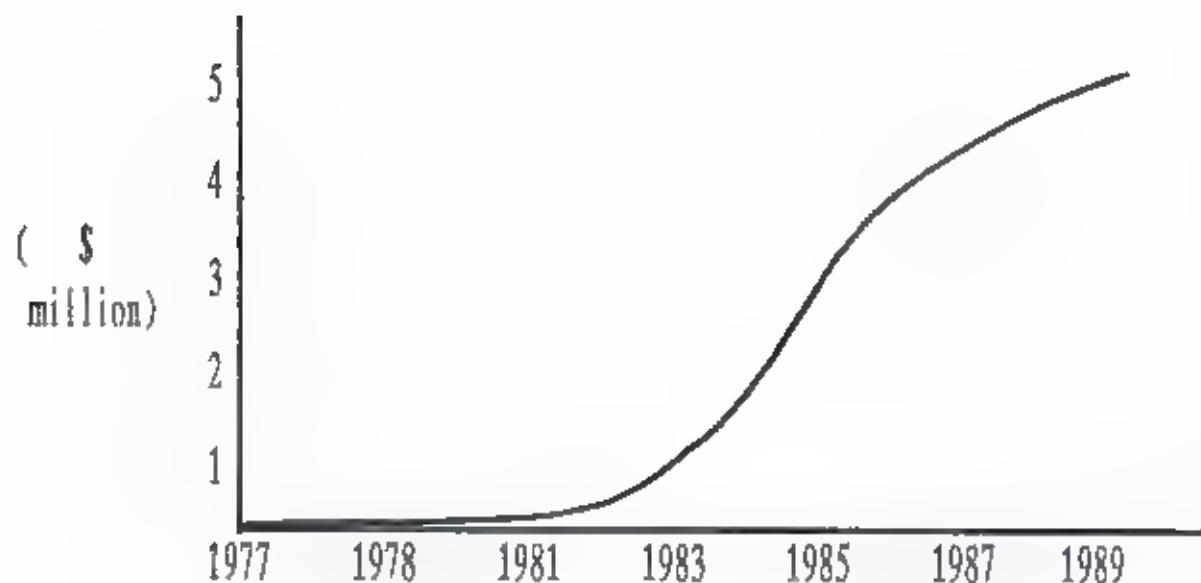
Name of Firm and Respondent	Geographical Region (% of work)			Comments on "Other" category		
	S.E. Asia	North Asia	South Asia	Africa and Middle East	Present Future	Future
Present Future	Present Future	Present Future	Present Future	Present Future	Present Future	Present Future
AAAC - (Mr Jeff Da I)	35	35	10	10	5	5
ACTL Australia - (Mr Peter King)	60	45	1	1	15	25
GCM Internat. Sdn. - (Mr David Cramb.c)	30	25	1	1	25	75
Hassall, & Assoc. - (Mr Peter Brown)	25	35	20	25	10	5
MFW Australia - (Dr Lindsay Harvey)	60	40	1	5	35	35
ORCV - (Mr Darryl Hill)	10	10	60	5	1	15
SACRIC International - (Dr Glen Simpson)	65	75	5	5	10	10
Weighted Average/ ¹	45	36	10	8	16	18
					20	29
					9	9
					1	1

¹ = trace.

² Based on relative number of professional staff as presented in reference

INDICATIVE TURNOVER

(1977 - 1989)



Chapter 6

1989

The company continued its strong development by high profile marketing, short term consultancy for major agencies by senior company personnel especially directors and by submitting tenders for a wide range of projects. However, being wary of any repetition of a temporary business downturn similar to that which occurred in 1986/87, the company actively pursued a strategy of seeking compatible partners for merger or joint operation. This move was intended to provide a larger consulting entity able to withstand a temporary down turn and consistent with the perceived demands of major client agencies.

Merger discussions led to negotiations with ATA Services Limited, a second board listed company on the Sydney stock exchange and Kinhill, Australia's largest engineering consultancy company. Neither of these discussions came to fruition.

Similar discussions and negotiations with Coffey Partners International identified compatibilities between the international operations of Coffey's and MPW and benefits in a merger of these operations. A mechanism for the purchase of MPW shares by Coffey International Limited a listed entity on the Sydney stock exchange effected the merger of the international operations.

MPW in pursuing its objectives of wider international contract management and the development of an Australian agribusiness consultancy market brought these into the merged entity primarily under MPW's established international management practices while incorporating the management and marketing skills existing in the Coffey Partners International organisation.

The compatibility of operations and aspirations of the two entities of Coffey Partners International and MPW Rural Development led to the development of a common corporate plan for Coffey-MPW Pty Ltd, a new registered company for international and agricultural contracts. Coffey-MPW was registered in late 1989, effectively starting operations on 28th December 1989, the date at which the sale for MPW shares was settled.

MPW Rural Development (and MPW Australia) continues as an operating entity owned by the CIL shareholders, amongst whom are many of MPW's previous shareholders. MPW continues to provide its services on its existing contracts and tenders on those projects, predominantly required by AIDAB for which MPW as an entity in its own right is the most appropriate vehicle. For major international development contract opportunities, the Coffey-MPW Pty Ltd entity is used and it is expected that in time the name of MPW will be assimilated within that of Coffey.

From conception in 1977 to merger in 1989, MPW has demonstrated a viable means of introducing a new company into a highly competitive market and the viability of introducing new reward systems, management structures and marketing processes. The merger of the company is part of the continued development of MPW based on individuals in the company continuing to develop careers in a growing international consultancy group.

EXTRACT FROM SALE AGREEMENT

Macair Pty. Limited entered into an Agreement for Sale dated the 27th day of November, 1989 to purchase the whole of the issued capital of M.P.W. Rural Development Pty. Ltd. (M.P.W.) from the vendors for the total consideration of \$877,000 ("the Agreement for Sale"). Completion of the Agreement for Sale is conditional upon the minimum subscription pursuant to this Prospectus being obtained and will take place not later than fourteen (14) days after the allotment of shares made by the Company pursuant to this issue.

Vendor	No. and Class of Shares in M.P.W.			% Consideration
	A	B	C	
Francis Jerome Murray, 16 East Mangyun Road, Quezon City, Philippines	2,500	3,750	18,750	17.79
John Espte Leake, 130 Alexandra Avenue, Toorak Gardens S.A.	2,500			1.78
Jelonix Pty. Ltd., 130 Alexandra Avenue, Toorak Gardens S.A.	3,750	18,750		16.011
John Lindsay Falvey, 3 Cilton Street, Richmond Vic.	2,650	3,825	19,125	16.15
Phillips John Young, 15 Kowhai Street, Kenmore Qld.	2,500	3,750	18,750	17.79
Wayne John K. Haslam, 26 Pambula Street, Kalesen A.C.T.	2,500			1.78
Luben Holdings Pty.Ltd., 26 Pambula Street, Kalesen A.C.T.		3,750	18,750	16.011
B. Armstrong, 27 Kurrajong Street, Windung N.S.W.	63	94	469	0.45
D. King, P.O. Box 411, Belmont, Geelong Vic.	32	47	234	0.22
P. Falvey, 34 Olympiad Crescent, Box Hill North Vic.	32	47	234	0.22
D.M. Park, Suite 3 , 241 Park Street, South Melbourne Vic	63			0.044
N.B. Welsh, 268 Canadian Bay Road, Mt. Eliza Vic.	32			0.022
Alameer Pty. Ltd., Suite 3, 241 Park Street, South Melbourne Vic.		94	469	0.40
Peninsular Ag. Consultants Pty. Ltd., 268 Canadian Bay Road, Mt. Eliza Vic.		47	234	0.20
John L. Dillon, University of New England, Armidale N.S.W.	63	94	469	0.45
Sir Frank Espie, Q/- CRA Ltd , Box 384D GPO, Melbourne Vic.	63	94	469	0.45
Derak Tribe, 1 Leonard Street, Parkville Vic.	63	94	469	0.45
G.R. Anderson, 80 King Street, Werregul Vic.	646	988	4,840	4.582
B.J. Armstrong, 27 Kurrajong Street, Windung N.S.W.	50	75	375	0.38
D.E. Tribe, 13/238 The Avenue, Parkville Vic.	20	30	150	0.142
Liou Family Trust, 39 Valentine Street, Toowong Qld	60	90	450	0.43
D.Y. Liou, 39 Valentine Street, Toowong Qld.	20	30	150	0.142
A.D.A. Liou, 39 Valentine Street, Toowong Qld.	20	30	150	0.142
L.E. Rulledge, 3 Turner Street, Townsville Qld.	30	45	225	0.214
R.N. Phillips & Assoc. Super. Fund, 21 Denman Street, East Geelong Vic.	50	75	375	0.38
F. Sweeney, P.O. Box 308, South Brisbane Qld.	50	75	375	0.38
N.B. Welsh, 268 Canadian Bay Road, Mt. Eliza Vic.	20	30	150	0.142
J.L. Dillon, University of New England, Armidale N.S.W.	10	15	75	0.071
D.M. Mackay, 8 Werribee Street, Richmond Vic.	10	15	75	0.071
M. Vatsaloo, 58 Park Crescent, North Caulfield Vic	10	15	75	0.071
Reilop Pty. Ltd., 167 North Road, Gardenvale Vic.	20	30	150	0.142
D. Parbery, 10 Birkdale Grove, West Lakes S.A.	60			0.038
The Parbery Family Trust, 10 Birkdale Grove, West Lakes S.A.		75	375	0.32
Hall Consulting Pty.Ltd., 47 St. Andrews Street, Walkerville S.A.	30	45	225	0.21



COFFEY MPW

- Agriculture
- Education
- Engineering
- Environmental
- Geotechnology
- Geotechnical Services
- Groundwater
- Institutional Development
- Livestock Planning
- Project Management
- Sociology

Coffey-MPW

- Australia's most diversified supplier of consulting services
- Australia's second largest engineering firm in mining
- Active involvement of Company principals
- Offshore offices and staff resources
- Fully owned by Coffey International Ltd (CIL) with a professional and technical staff exceeding 250
- More than 20 offices throughout Australia
- Group involvement in virtually all major Australian projects
- Participant in numerous awards e.g. - AIDAB Award of Excellence - World Bank Land Titling Project, Thailand (one of the consortium of five companies)
- The Prime Minister of Thailand's Award for Development, Thailand, 1988
- AIDAB Certificate of Merit, Land Reform and Rural Development, Thailand, 1988

- AIDAB Award of Excellence - Rural Water Supply and Sanitation, Indonesia, 1988
- ACEA Engineering Award: Water Supply, Burma, 1988
- Services related to policy research, policy advice and strategic studies are also provided to all major international development agencies and organisations of the world.

The merger with Coffeys provided a diverse consulting group for international projects with a strong base.

Corporate Experience

- As Australia's most diverse and active international consulting company, with premier status in the export of professional services from Australia, Coffey-MPW provides services to private companies and all major agencies, including the World Bank, AIDB, UNDP and AIDAB, in some 25 countries.
- Key Staff:
- Lindsay Farthing BA(BS(Hons)), MApp Sc, PhD, AMIUS, MAAC, MIAustE, FIEAust
- Ian R. Finch DgCE, MngSc, FIE, AusI
- Wayne J. K. Hassam BEng, MngSc, Dip Proj, Sr. FIEA, MIMM
- Brian C. Burman BE, MEngSc, PhD, FIE, AusI
- Jerry Narayan BA, PhD, MIMAS
- John E. Leslie MATA
- John W. A. Gibson, MA, BE, MIE, AusI

- Regions:
- Africa
- Caribbean
- India/China
- Latin America
- Middle East
- North Asia
- South Pacific
- South Asia
- South East Asia

- Experience covers all phases of the project cycle:
- Identification
- Feasibility
- Design
- Appraisal
- Implementation
- Monitoring & Evaluation

Services related to policy research, policy advice and strategic studies are also provided to all major international development agencies and organisations of the world.



COFFEY MPW

- Agriculture
- Education
- Engineering
- Environmental
- Geotechnology
- Geotechnical Services
- Groundwater
- Institutional Development
- Livestock Planning
- Project Management
- Sociology

Coffey-MPW

- From the days when Australia developed agricultural technology, now recognised as a world leader, place around the world, and developed many techniques, decades ahead of others elsewhere in the world, Australia has continued to utilise its strong scientific base to produce expertise to service development.
- This experience, coupled with international management experience through a range of projects around the world, provides Coffey-MPW with outstanding expertise covering the breadth of industries defining the Australian economy.

Coffey-MPW: "Accessing Australia's Strengths"

- Coffey MPW Pty Ltd
- 202 Lime Lardale Street
- Melbourne 3000 Australia
- Tel: (03) 670 5244
- Fax: (03) 383 0350
- Fax: (03) 670 4497

- 151 Wallerup Road
- East Bunbury 6230 Australia
- Tel: (09) 381 7455
- Fax: (09) 383 0350

A comment from Valerie Kelly, one time executive officer of the young MPW Australia, on reading a draft of the history was.....

"I suddenly felt it fitted as closely as we could expect, in the real world, Griener's Theory on Organizations. The dearth of American literature on organizations and their development certainly highlights a glaring need for Australian examples to be used as tertiary texts. MPW has the added advantage of being an Agricultural Consulting company. The history of Australian agriculture is embedded in the pioneering spirit of the early settlers who, as a sheer means of survival, had to develop and manipulate existing skills which were inappropriate to the Australian setting and which skills, of necessity, had to ensure that the end result would be successful - or entire colonies would starve!"

An extract from the paper referred to in her comments is presented below.

GREINER'S FIVE PHASES OF GROWTH

